



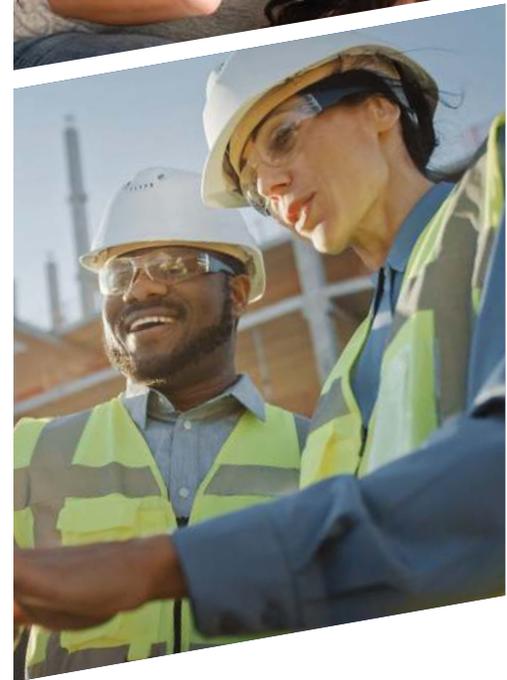
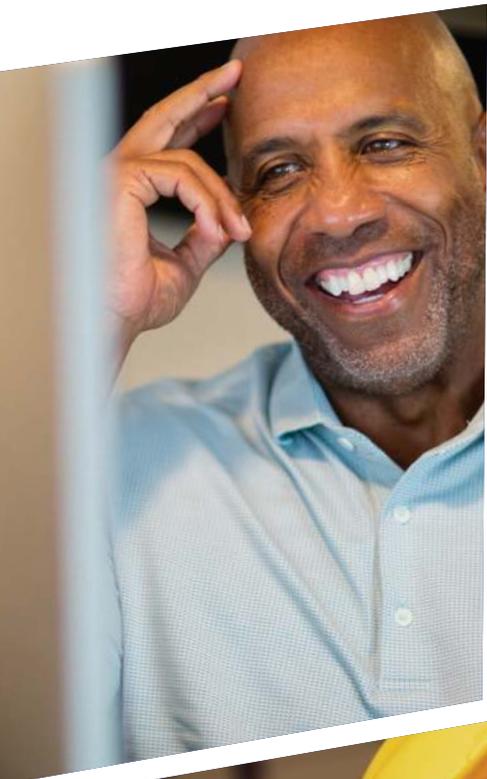
**2021-2022**

**Illinois Utilities Business  
Diversity Council**

# **ECONOMIC IMPACT REPORT**



**ILLINOIS UTILITIES BUSINESS  
DIVERSITY COUNCIL**



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# Section 1

## IUBDC MEMBER UTILITIES

The Illinois Utilities Business Diversity Council was formed in 2015 to grow business opportunities for diverse suppliers through closer collaboration, technical development and sharing of best practices.

**Our mission** is to provide Illinois utilities a forum for best practice sharing and information exchange with a focus on advancing the growth and utilization of diverse businesses in the state of Illinois.

The Council has placed an emphasis on helping the utilities with their respective procurement goals for minority-owned,

women-owned, veteran-owned and small business enterprises.

This report looks behind the numbers—how utility efforts to increase spending with diverse businesses are delivering significant impact on economic growth, job creation, and the financial well-being of our communities and our state.



## Section 2

### A LETTER FROM THE CHAIRMAN

# LENNY SINGH

## CHAIRMAN, IUBDC

On behalf of the Board of Directors of the IUBDC, I am pleased to report that the goods and services purchased from diverse businesses by IUBDC member utilities from 2021 through 2022 totaled **\$1.5 billion**, including more than **\$894 million** with Illinois-based diverse suppliers. IUBDC utility-member spending with diverse businesses contributed **\$5.5 billion** to the state's GDP and has supported more than **13,000 Illinois jobs every year from 2017 to 2022**, paying an average of **\$1 billion** in employee wages.

What started in 2015 as a forum for discussing critical policy issues and programs has evolved into something much bigger. Today's IUBDC reflects the commitment to not just spend more with diverse companies, but to truly engage in a systematic effort to expand the opportunities for these companies to succeed for the long haul.

We have a mantra that we follow at the IUBDC: Opening Doors. And that's what we continue to do, by collaborating, educating, and sharing best practices. Today, IUBDC member utilities are making significant investments in modernizing the state's water, electric, and natural gas infrastructure. To complete this work, we draw on external contractors—engineers, technologists, pipe fitters, electricians, maintenance workers, financial experts, legal, and professional services, and more—and an increasing share of these project contracts are being awarded to minority-, women-, and veteran-owned businesses.

The spending numbers are important, but it's the stories behind the numbers that matter most. Stories like the minority-owned construction company that had everything a utility would want in a supplier—the people, the equipment, leadership, and a track record of success. All they needed was an opportunity.

Or the female Latina entrepreneur who had a dream to start a company and now performs electric system design work for several major utilities and employs 170 workers. All she needed was an opportunity.

Or the urban planning and site construction contractor who called his work on a natural gas pipeline rebuild a “truly transformational experience.” All he needed was an opportunity.

As the state, country, and world make the steady transition to clean energy, IUBDC will do its part to ensure that it is an equitable transition that will benefit all communities.

With the continued support of the Illinois Commerce Commission, stakeholders, and policymakers, IUBDC will continue to open more doors for diverse participation in the energy supply chain and deliver meaningful results for suppliers, their communities and workers, and the state of Illinois.



Sincerely,

A handwritten signature in black ink that reads "Lenny Singh". The signature is stylized and cursive.

Lenny Singh

Section 3  
IUBDC LEADERSHIP

# IUBDC LEADERSHIP



**LEONARD SINGH**  
Chairman/President,  
Ameren Illinois  
*IUBDC Chairman*



**DAVID CARTER**  
President,  
Aqua America



**GIL QUINIONES**  
CEO,  
ComEd



**REBECCA LOSLI**  
President, Illinois  
American Water



**WENDELL DALLAS**  
President/CEO,  
Nicor Gas



**TORRENCE HINTON**  
President, Peoples Gas  
and North Shore Gas

## Section 4

### POWER OF DIVERSITY CAMPAIGN

# THE POWER OF DIVERSITY

In 2023, IUBDC's Board members launched The Power of Diversity campaign, sharing the unique experiences that shaped their approach to leadership and commitment to diversity, equity, and inclusion in their work and personal lives. The point-of-view articles were shared with their social media networks and through IUBDC's LinkedIn page.



 Power of Diversity Campaign

## Section 5

### ECONOMIC IMPACT OF SUPPLIER DIVERSITY

# ECONOMIC IMPACT OF SUPPLIER DIVERSITY

**Supplier Diversity** spend by IUBDC member utilities has a significant impact on the state's economy. This spend supports jobs at diverse businesses in Illinois. These businesses and their employees employ other local companies, supporting additional jobs in the community.

**\$5.5 BILLION**

Cumulative GDP contribution  
from 2021 through 2022

**13,426 JOBS**

Average number of jobs  
supported every year

**\$1 BILLION**

Average employee wages  
supported every year



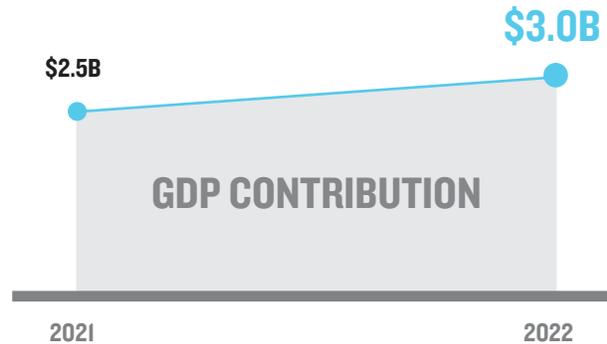
# Section 5

## ECONOMIC IMPACT OF SUPPLIER DIVERSITY PROGRAMS

PURCHASES FROM DIVERSE BUSINESSES  
HAVE CONTRIBUTED A TOTAL OF

# \$5.5B

TO GDP FROM 2021- 2022



11,633

Year	Jobs Supported
2021	11,633
2022	15,218

## JOBS SUPPORTED

2021

2022

PURCHASES FROM DIVERSE BUSINESSES  
HAVE SUPPORTED AN AVERAGE OF

# 13K

JOBS EVERY YEAR FROM 2021- 2022

PURCHASES FROM DIVERSE BUSINESSES  
HAVE SUPPORTED AN AVERAGE OF

# \$1B

IN EMPLOYEE WAGES EVERY YEAR  
FROM 2021- 2022



## INCOMES SUPPORTED

2021

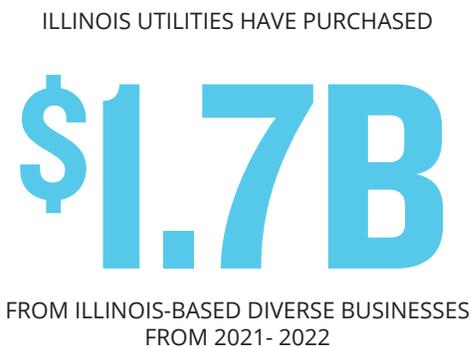
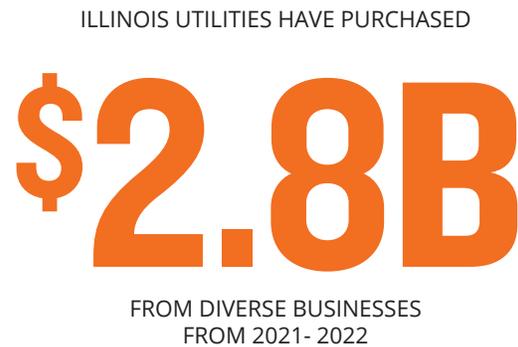
2022

# Section 6

## OUR IMPACT ON DIVERSE BUSINESSES

**Member utilities of the IUBDC** have contributed to the development and growth of diverse communities through their commitment to utilizing minority-, women-, and veteran-owned businesses.

Since 2021, these utilities spent over \$2.8 billion with diverse businesses, of which over \$1.7 billion was with Illinois-based diverse businesses. This spend provided new opportunities for diverse businesses across the state and supported economic development and growth of a diverse workforce.



## Measuring Economic Impact



### **JOBS**

Member utilities' purchases support jobs at suppliers.



### **INCOMES**

Incomes through these jobs foster economic advancement.



### **SPEND**

Employee spend leads to development in their communities.

## Economic Impact Channels

Member utilities' spend with diverse suppliers creates impact through multiple channels. It supports jobs and earnings at the suppliers. These suppliers purchase additional goods from other businesses, supporting additional jobs. Employees at these companies in the supply chain then support additional jobs in the community through their everyday purchases.



### **DIRECT DIVERSE SUPPLIERS**

Jobs and revenue impact suppliers supporting Illinois utilities.



### **INDIRECT SUPPLY CHAIN**

Purchases by Illinois utilities' suppliers lead to down-stream economic activity and jobs.



### **INDUCED COMMUNITY**

Employees support jobs in their local economy through their spend.

## Section 8

### IUBDC EMMET VAUGHN SCHOLARSHIPS

# KELLOGG EXECUTIVE PROGRAM AT NORTHWESTERN UNIVERSITY

One way IUBDC is building the pipeline of qualified diverse suppliers is through our partnership with the Kellogg Executive Program at Northwestern University. Every day, we meet leaders of diverse businesses who have the skills and drive to succeed. They have the technical know-how and a solid product or service. Through the Emmett Vaughn scholarships we fund at Northwestern, we're providing high-potential leaders with world-class leadership training and business support to take their companies to the next level.

Since inception, the IUBDC has awarded 11 scholarships to leaders of certified Minority Business Enterprises and many of those companies are doing more work for IUBDC member companies.

"The training helped me to enhance my leadership skills and evaluate our business strategies. We had second, third, even fourth generation business leaders in our class and to be able to bounce ideas off of them and get input on common challenges and opportunities will benefit our business for years to come."

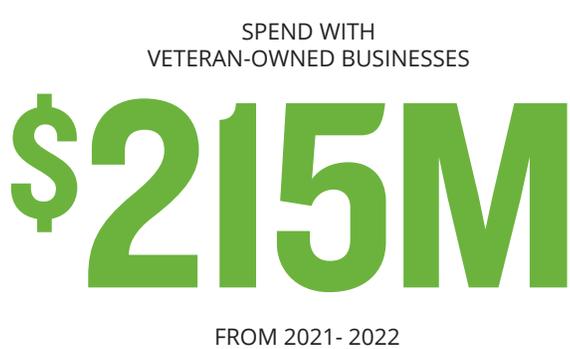
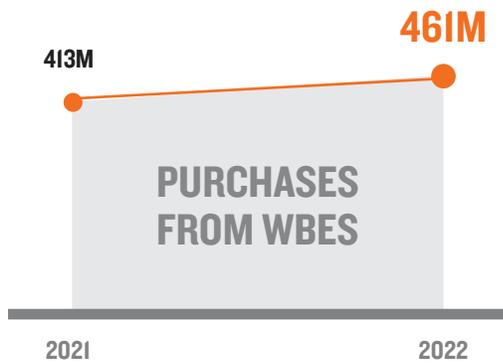
#### **Karen M. Ford**

President, Sutton Ford  
Certified MBE - Matteson, Illinois  
2022 IUBDC Scholarship Recipient



# Section 9

## SPEND WITH DIVERSE SUPPLIERS 2021-2022



## Section 10

### PARTNERSHIP FOR SUCCESS

# PREPARING FOR THE CLEAN ENERGY TRANSITION

M3 Engineering Group (M3), a certified minority- and women-owned consulting firm, provides engineering planning and design support on a variety of civil and environmental engineering projects with a focus on water, wastewater, and stormwater. Illinois American Water began working with M3 in 2019 after being drawn to their depth of expertise in wastewater solutions and hydraulic modeling, as well as their commitment to diversity, equity and inclusion. The largest project the two companies have partnered on to date is the remediation of Sanitary Sewage Overflow (SSO), a condition in which untreated sewage is discharged from the sanitary sewer into the environment prior to reaching sewage treatment facilities. This condition was impacting clean water sources in a newly acquired wastewater system located in Central Illinois.

When Illinois American Water purchased the wastewater system from the Village of Godfrey, it included an Environmental Protection Agency (EPA) Consent Decree to fix the problematic SSOs. This entailed submitting a Corrective Action Plan to the EPA, dependent on M3's proficiency in hydraulic modeling. The Godfrey project included generating a synthetic storm to analyze potential impacts on the wastewater system.

Over time, a \$9.7 million investment was made to eliminate the SSOs in the system. The project moved smoothly, supported by the shared values, trust and mutual respect between M3 and Illinois American Water. Illinois American Water continues to expand the partnership by engaging with M3 for their industry expertise on various other projects.

### **Marjorie Melton**

*President  
M3 Engineering Group*



“Our partnership with M3 exemplifies the benefit of sourcing work from a diverse vendor while also supporting our values, including environmental stewardship, which we uphold for our customers.

Through these collaborations, we remain focused on our critical work and deliver on our commitment to providing opportunities for minority-, women- and veteran-owned companies.”



**Rebecca Losli**  
*President*  
*Illinois American Water*

“IUBDC member companies do not view diversity as merely a “program” or a box to check. It’s a core value that is evident in the way we strive to create opportunities to partner with diverse and minority-owned businesses. When you combine that fundamental commitment with the power of collaboration under the IUBDC umbrella, it’s clear that we can generate even more opportunities for growth.”



**Gil Quiniones**

*CEO  
ComEd*

“I started my company in the basement of my home as a single dad. I wanted more, not just for myself, but for my daughter. For IUBDC to take an interest in us as a small business means a lot because we hire people from the community who look like us and come from our neighborhoods. It’s good to see the IUBDC utilities giving back so we can continue to push our communities forward.”



**Rey Rivera Jr.**

*President*

*CSI 3000*

*Certified MBE – Cicero, Illinois*



# COMED, AMEREN JOIN FORCES WITH WALKER-MILLER TO EXPAND ENERGY EFFICIENCY

Walker-Miller Energy Services, founded by Carla Walker-Miller, has grown significantly over the last two decades, working to increase diversity in the energy industry and influence communities and businesses to prioritize energy efficiency.

Through an equity lens, the company helps utilities, municipalities, and businesses achieve energy reduction goals and drive the benefits of clean energy to all communities. With one of the most diverse teams in the industry, Walker-Miller designs programs, sources products, trains inclusive workforces, and develops ways to increase the adoption of energy-efficient practices and behavior.

Walker-Miller has worked with ComEd and Ameren Illinois for several years in support of the Energy Efficiency Service Provider (EESP) Incubator Program, which helps suppliers identify, address, and resolve barriers to building a successful business in the energy efficiency field. In addition to providing education and training on utility Energy Efficiency offerings, Walker-Miller offers one-on-one coaching on supplier certification applications, business growth plans, and relationship building with commercial lenders. Suppliers can collaborate with an experienced mentor for additional peer-to-peer support. As the administrator of the EESP Incubator Program, Carla helps diverse suppliers—many of which are small or family-run—compete with larger suppliers in the growing energy efficiency market.

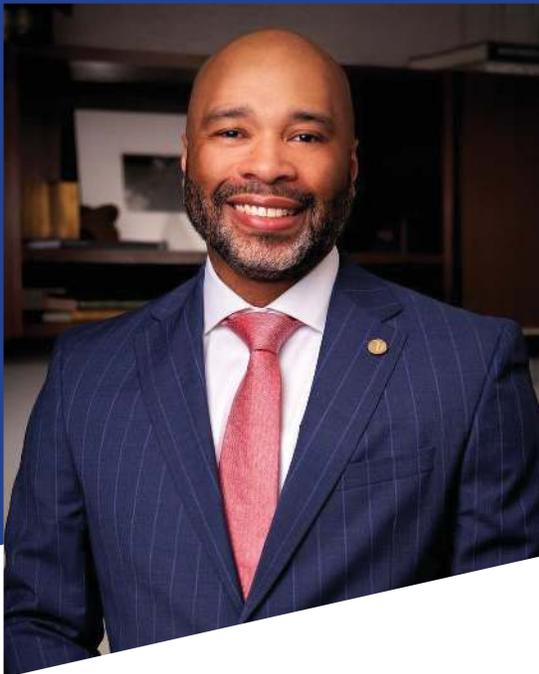
“We are grateful for the opportunity to partner with ComEd and Ameren as we work to increase the number of local and diverse-owned suppliers who can provide energy efficiency (EE) services to their customers,” said Carla. “For suppliers thinking about getting into the EE sector, they should understand that building energy efficiency is key to fighting climate change and facilitating decarbonization, so the growth opportunities in EE are almost endless.”

As the energy industry evolves, utilities are going to be spending and investing to modernize their infrastructure and new energy efficiency offerings will help keep costs affordable for their customers. Developing partnerships, like those with Walker-Miller, are helping utilities meet customer needs and support an equitable clean energy transition.



**Carla Walker-Miller**  
*Founder and Chief Executive Officer  
Walker-Miller Energy Services*

“You can’t have a successful city or region or state—or even a company—without its major stakeholders having the opportunity for success. From an economic opportunity and equity perspective, IUBDC’s work is hugely important for the communities we serve. Through IUBDC, we’re working to expand the available resource pool and build more relationships with minority-, women-, and veteran-owned providers of technical and professional services.”



**Torrence Hinton**

*President*

*Peoples Gas and North Shore Gas*

“We’re stakeholders in the community. Our relationship with Illinois American Water has not only helped us to grow and create jobs, but it has also exposed us to how large companies operate successfully. The work IUBDC is doing on behalf of diverse-owned businesses is important because we’re all stakeholders. When I look at my company, I can proudly say that our people, our workforce, reflects our community.”



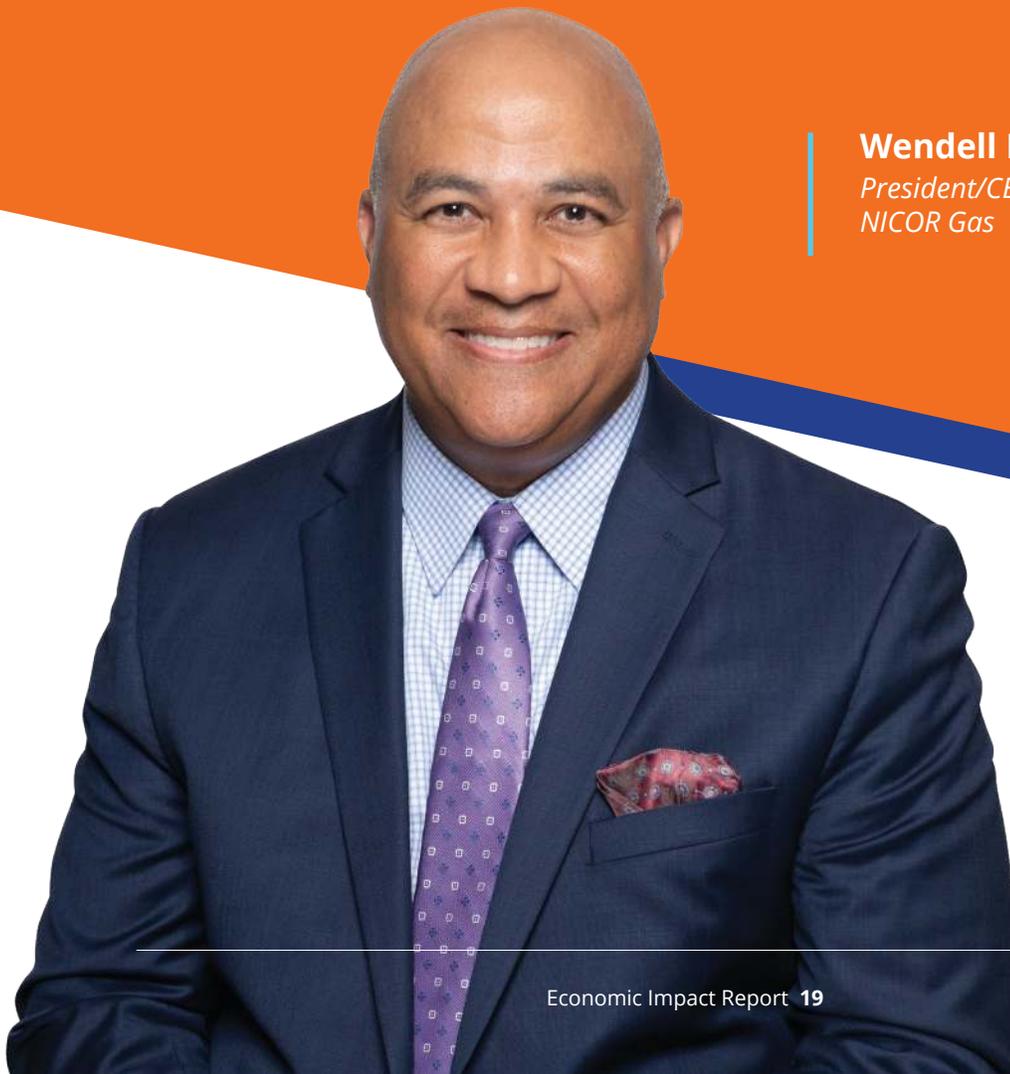
**Stephen Brock**

*President and CEO  
Supplied Industrial Solutions  
Certified MBE – Granite City, Illinois*



“Supplier inclusion brings innovation, quality and overall competitive value to our organization.

And when utilities work together to serve the state, it makes all of us better and stronger for our customers. IUBDC is the catalyst that makes it happen.”



**Wendell Dallas**

*President/CEO  
NICOR Gas*

## Section 12

### IMPACTS AT ILLINOIS-BASED BUSINESSES IN 2022

Impacts at Minority-Owned  
Businesses in 2022

**\$959.1 MILLION**

Total Purchases

**5,433 JOBS**

Jobs Supported

**\$481.6 MILLION**

Employee Earnings



Impacts at Women-Owned  
Businesses in 2022

**\$461 MILLION**

Total Purchases

**2,197 JOBS**

Jobs Supported

**\$206.6 MILLION**

Employee Earnings

Impacts at Veteran-Owned  
Businesses in 2022

**\$117.3 MILLION**

Total Purchases

**633 JOBS**

Jobs Supported

**\$51.4 MILLION**

Employee Earnings



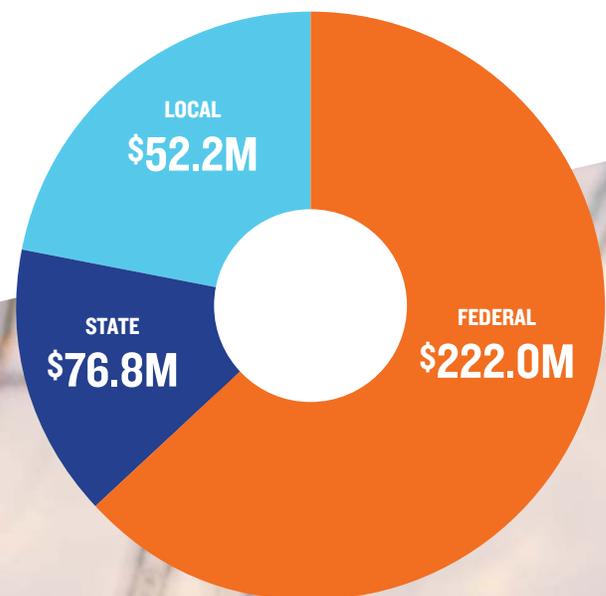
## Section 13

### TAXES SUPPORTED

# TAXES SUPPORTED THROUGH IUBDC MEMBERS' SUPPLIER DIVERSITY SPENDING IN 2022

The activities of IUBDC's diverse suppliers generated an estimated \$351 million in taxes.

These taxes include a combination of corporate taxes, personal taxes on incomes earned by employees, social security taxes, taxes on goods and services, and other taxes.



“Our Supplier Mapping tool is a good example of putting IUBDC’s powerful reach and influence to work. An interactive online portal provides our buyers with insights into the availability of diverse supplier resources throughout our respective territories. More exposure means more opportunity for diverse companies to break into the utility supply chain. That is the essence of the IUBDC mission.”

**David Carter**

*President  
Aqua America*



# ECONOMIC IMPACT MODELING

Economic impact modeling is a standard tool used to quantify the economic contribution of an investment or company. This modeling uses an “Input-Output” economic model to estimate the number of times each dollar of “input,” or direct spend, cycles through the economy in terms of “indirect and induced output,” or additional spend, personal income, and employment.

There are several Input-Output models used by economists to estimate multiplier effects. Supplier.io employed the IMPLAN input-output model in developing estimates of spend, income, and employment impacts. This model, initially developed by the U.S. Department of Agriculture, examines inter-industry relationships in local, regional, and national economies.

The Input-Output multipliers are derived from a comprehensive and complex set of inputs based on the collection of business and employment data. Indirect impacts of economic activity in a targeted geographic area are calculated by applying multiplier coefficients to the direct impact spending. Since most of the businesses in the study are considered as local businesses, each supplier was assumed to have operations primarily in one state. These multipliers consider an amount of “leakage” from the state economy because some incomes and expenditures will be spent outside of the state. The economic activity is calculated by state and these state-level results are aggregated to determine the national totals.

## Assumptions

This analysis relies on the following assumptions:

1. For suppliers that have multiple locations, all impact is evaluated at the headquarters location. This may overestimate the impact in the headquarters state and underestimate the impact in other states.
2. For suppliers that provide services in multiple NAICS code, unless otherwise indicated, all impact is calculated using the supplier's primary NAICS code.
3. A supplier impact is assumed to be localized within a state.
4. The model predicts impact results based on industry averages and is an aggregate across all companies. The calculations cannot be applied to individual companies and may differ from actual jobs and incomes at specific companies.

## References

This report is based on an analysis of data provided by the customer and information from the following sources:

1. US Government Revenues: [http://www.usgovernmentrevenue.com/total\\_2014USrt\\_17rs1n](http://www.usgovernmentrevenue.com/total_2014USrt_17rs1n)
2. Office and Administrative Support Occupations: Occupational Outlook Handbook: U.S. Bureau of Labor Statistics ([bls.gov](http://bls.gov))
3. United States GDP: <http://www.tradingeconomics.com/united-states/gdp>
4. What is NAICS: <https://www.naics.com/>
5. IMPLAN (<https://implan.com>)
6. Multipliers Changing Over Time – IMPLAN - Support
7. Generation and Interpretation of IMPLAN's Tax Impact Report
8. Taxes: How the Pandemic Ruined My Tax Results – IMPLAN - Support
9. Pandemic: Analyzing the Economic Impacts of the Coronavirus – IMPLAN - Support

Analysis performed by 

## IUBDC MEMBER UTILITIES

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**2021-2022**

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